

**Financial Summary**  
**FY2013**  
**Ended March 31, 2014**

Tokyu Fudosan Holdings Corporation

This report provides information excerpts from Tokyu Fudosan Holdings' original disclosure in Japanese, "*Kessan Tanshin*," which was released on May 12, 2014 at 16:00 (GMT+9).  
The audit has not been completed.

## 1. Overview of the FY2013 Ended March 31, 2014

\*All the figures in millions are rounded down and all the figures in billions are rounded off to one decimal place.

### (1) Summary of consolidated statements of income

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
FY2013	714,067	–	61,433	–	50,583	–	23,712	–
FY2012	–	–	–	–	–	–	–	–

Note: Comprehensive income: FY2013 ¥24,894 million [–%]; FY2012 ¥– million [–%]

	Net income per share	Fully diluted net income per share	Net income/ shareholders' equity	Ordinary income/ total assets	Operating income/ operating revenue
	(Yen)	(Yen)	(%)	(%)	(%)
FY2013	41.61	–	7.5	2.9	8.6
FY2012	–	–	–	–	–

Reference: Equity in earnings (losses) of affiliates: FY2013 ¥143 million; FY2012 ¥– million

Note: The Company does not have financial data for FY2012 as it was established on October 1, 2013 through joint share transfers. (Hereinafter the same shall apply.)

### (2) Summary of consolidated balance sheets

	Total assets	Total net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
As of March 31, 2014	1,789,822	369,242	20.4	598.73
As of March 31, 2013	–	–	–	–

Reference: Equity: As of March 31, 2014 ¥364,491 million; As of March 31, 2013 ¥– million

### (3) Summary of consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
FY2013	(13,504)	19,745	3,008	92,723
FY2012	–	–	–	–

## 2. Dividends

	Annual dividends					Total annual cash dividends (Millions of yen)	Dividend payout ratio (consolidated) (%)	Ratio of dividends to net assets (consolidated) (%)
	Q1	Q2	Q3	Year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)			
FY2012 ended March 31, 2013	–	–	–	–	–	–	–	–
FY2013 ended March 31, 2014	–	–	–	4.50	4.50	4,609	19.2	1.4
FY2014 ending March 31, 2015 (Forecast)	–	5.00	–	5.00	10.00	/	24.4	/

Notes: 1. The Company does not have dividends results for the FY2012 ended March 31, 2013 or until the end of the second quarter of the FY2013 ended March 31, 2014 as it was established on October 1, 2013 through joint share transfers.

2. The total annual cash dividends include the interim dividend amount of ¥1,857 million paid by Tokyu Land Corporation, which became a wholly-owned subsidiary of the Company through a joint share transfer.

3. The dividend payout ratio and the ratio of dividends to net assets for FY2013 ended March 31, 2014 were calculated based on a total of ¥8.0 per share composed of ¥3.5 per share calculated by multiplying the interim dividend of ¥3.5 per share that Tokyu Land Corporation paid by the share transfer ratio of the joint share transfer (1 share of common stock of the Company for 1 share of common stock of Tokyu Land Corporation) and ¥4.5 per share year-end dividend planned to be paid by the Company.

### 3. Forecast for Fiscal Year 2014 Ending March 31, 2015

(% indicates year-on-year change.)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full-year forecast	735,000	2.9	63,000	2.6	51,000	0.8	25,000	5.4	41.07

\* Indication regarding execution of audit procedures

This financial summary report is not subject to the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial summary report, the audit procedures in accordance with the Financial Instruments and Exchange Act are in progress.

\* Proper use of forecasts, and other special matters

(Disclaimer)

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

(Other special matters)

Although the Company was established on October 1, 2013 through joint share transfers as the wholly-owning parent company of Tokyu Land Corporation, Tokyu Community Corp. and Tokyu Livable, Inc., Tokyu Community Corp. and Tokyu Livable, Inc. were consolidated subsidiaries of Tokyu Land Corporation before the management integration; and there is no substantial change in the scope of consolidation of the Company from that of Tokyu Land Corporation before the integration. Accordingly, the earnings of the Company are calculated based on the full-year consolidated earnings of Tokyu Land Corporation of previous years.

(Method of accessing financial summary presentation material)

On May 16, 2014, the Company plans to hold a financial summary presentation meeting for institutional investors and securities analysts. The Company plans to post the materials used in this presentation on its website after the meeting is held.

# Analysis of Operating Results and Financial Position

## 1. Analysis of Operating Results

The Company was established on October 1, 2013 through joint share transfers as the wholly-owning parent company of Tokyu Land Corporation (hereinafter referred to as “Tokyu Land”), Tokyu Community Corp. (hereinafter referred to as “Tokyu Community”) and Tokyu Livable, Inc. (hereinafter referred to as “Tokyu Livable”). Since, before the integration, Tokyu Community and Tokyu Livable were consolidated subsidiaries of Tokyu Land; and there is no substantial change in the scope of consolidation of the Company from that of Tokyu Land before the integration, regarding the items for which comparisons are made with the previous fiscal year, figures are compared with those of Tokyu Land for the FY2012 (from April 1, 2012 to March 31, 2013).

### Current Operating Performance

Results for this fiscal year ended March 31, 2014 showed an increase in revenues and profit with ¥714.1 billion in operating revenue (up 19.8% from the previous year), ¥61.4 billion in operating income (up 18.2%) and ¥50.6 billion in ordinary income (up 26.8%), thanks mainly to an increase in sales of condominiums, strong sales in the real-estate sales agent business and the consolidation of United Communities Co., Ltd. as a subsidiary.

Net income increased to ¥23.7 billion (up 7.1%). This was mainly due to an increase in minority interests in income, in spite of the recording of gain on sales of non-current assets of ¥8.4 billion from the transferring of assets to Activia Properties Inc. in the previous year.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	595.9	714.1	118.2	700.0	14.1
Operating income	52.0	61.4	9.5	60.0	1.4
Ordinary income	39.9	50.6	10.7	48.5	2.1
Net income	22.1	23.7	1.6	23.0	0.7
Interest-bearing debt	974.1	991.0	16.9	1,065.0	(74.0)

### Segment Performance

#### Operating revenue

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Total	595.9	714.1	118.2	700.0	14.1
Real Estate Sales	145.1	209.1	64.0	200.7	8.4
Contracted Construction	70.1	90.7	20.6	85.5	5.2
Retail Sales	82.8	84.5	1.7	85.2	(0.7)
Leasing of Real Estate	128.3	130.9	2.6	127.9	3.0
Property Management	76.5	96.0	19.5	94.5	1.5
Facility Operations	59.7	63.8	4.1	63.5	0.3
Real-Estate Agents	42.3	51.6	9.3	50.2	1.4
Other	8.8	9.9	1.1	10.0	(0.1)
Adjustment for Inter-Company Transactions	(17.8)	(22.3)	(4.5)	(17.4)	(4.9)

## Operating income

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Total	52.0	61.4	9.5	60.0	1.4
Real Estate Sales	6.6	12.5	5.9	14.7	(2.2)
Contracted Construction	1.6	2.9	1.3	2.6	0.3
Retail Sales	0.9	1.1	0.2	1.1	(0.0)
Leasing of Real Estate	35.0	33.6	(1.4)	32.1	1.4
Property Management	5.1	6.7	1.5	6.6	0.0
Facility Operations	3.8	4.3	0.5	3.7	0.6
Real-Estate Agents	4.8	8.5	3.7	7.8	0.7
Other	0.0	0.0	(0.0)	(0.4)	0.4
Adjustment for Inter-Company Transactions	(5.8)	(8.0)	(2.2)	(8.3)	0.2

### 1) Real Estate Sales

In our Real Estate Sales business, we recognized ¥209.1 billion in operating revenue (up 44.1% from the previous year) and ¥12.5 billion in operating income (up 88.6%).

Revenues and profit increased mainly due to the transferring of inventories, including the commercial facilities and office buildings, to Activia Properties Inc., in addition to an increase in sales of condominiums. Profit was less than forecast due to the recording of loss on valuation of inventories of ¥4.8 billion related to country houses, etc.

Sales of condominium units in “Branz Yonbancho” (Chiyoda-ku, Tokyo), “Branz Azabu Mamiana-cho” (Minato-ku, Tokyo), “Branz Tower Bunkyo Kohinata” (Bunkyo-ku, Tokyo), “Branz Tower Minamihorie” (Osaka-shi, Osaka) and others were recorded. Sales continued to perform firmly and the inventory of completed units remained at a low level. The ratio of contracted amount for sale to the planned sales amount for the full year for condominium became 44% (up 6 percentage points from the previous year).

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	145.1	209.1	64.0	200.7	8.4
Operating income	6.6	12.5	5.9	14.7	(2.2)

### Breakdown of operating revenue

(Before adjustments in ¥ billion)

	FY2012		FY2013		Comparison
Condominium	2,571 units	100.9	2,819 units	142.6	41.7
Detached housing	206 units	4.0	357 units	8.3	4.3
Country houses	13 units	0.5	152 units	7.2	6.8
Other sales	–	39.8	–	50.9	11.2

### Number of units supplied and sold (Tokyu Land)

(Units)

	FY2012		FY2013		Inventory of completed units	
	New supply	Contracted units	New supply	Contracted units	As of March 31, 2013	As of March 31, 2014
Condominium	2,381	2,417	2,489	2,540	252	260
Detached housing	99	131	170	171	28	46
Country houses	57	61	88	88	–	–

## 2) Contracted Construction

In our Contracted Construction business, we posted ¥90.7 billion in operating revenue (up 29.3% from the previous year) and ¥2.9 billion in operating income (up 81.7%).

There was an increase in both revenues and profit due to Tokyu Community's acquisition of shares in United Communities Co., Ltd. and making it a consolidated subsidiary in the previous year, and an increase in constructions of common areas of condominiums, etc. Orders received continued to expand mainly for constructions of common areas of condominiums and renovations.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	70.1	90.7	20.6	85.5	5.2
Operating income	1.6	2.9	1.3	2.6	0.3

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2012	FY2013	Comparison
Custom-built houses	18.7	18.7	(0.1)
Renovation	20.1	23.7	3.6
Constructions of common areas of condominiums etc.	31.3	48.3	17.0

### Orders received (sales from orders)

(Before adjustments in ¥ billion)

	FY2012	FY2013	Comparison
Total sales from orders	72.3	85.4	13.1
Custom-built houses	19.5	18.3	(1.2)
Renovation	20.0	22.7	2.6
Constructions of common areas of condominiums etc.	32.8	44.5	11.8

## 3) Retail Sales

In our Retail Sales business, operating revenue amounted to ¥84.5 billion (up 2.0% from the previous year), and we recorded operating income of ¥1.1 billion (up 26.6%).

At Tokyu Hands, Inc., both revenues and profit increased thanks mainly to the opening of new stores, despite an impact from the temporary closing of "Tokyu Hands Yokohama," etc.

The new stores that opened were "Tokyu Hands Himeji" and "hands be Musashi-Kosugi Tokyu Square," both of which started operations in April 2013, and the remodeled "Tokyu Hands Yokohama" reopened at a new location in October 2013. Moreover, "Tokyu Hands Kyoto" is planned to be opened in June 2014. Through such store openings and other factors, Tokyu Hands is steadily expanding its business.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	82.8	84.5	1.7	85.2	(0.7)
Operating income	0.9	1.1	0.2	1.1	(0.0)

## Breakdown of operating revenue

\*The figures in brackets indicate the number of outlets at end of fiscal year.

(Unit:¥ billion)

	FY2012		FY2013		Comparison
Tokyo metropolitan area	52.4	[14]	51.5	[14]	(0.9)
Kansai region	16.1	[5]	16.6	[6]	0.5
Local regions and other	9.8	[5]	10.7	[5]	1.0
Small-scale outlets	4.5	[21]	5.6	[20]	1.1

## 4) Leasing of Real Estate

In our Leasing of Real Estate business, operating revenue amounted to ¥130.9 billion (up 2.0% from the previous year) with operating income at ¥33.6 billion (down 4.1%).

Although the start of new facilities operations, etc. contributed to an increase in revenues, profit decreased mainly due to the impact from transferring of the commercial facilities and office buildings, etc. to Activia Properties Inc. in the previous year.

The vacancy rate (office buildings and commercial facilities) remained at a low level of 1.8%, mainly due to the full occupancy of “Shin-Meguro Tokyu Building” (Shinagawa-ku, Tokyo, office building), which opened in the previous fiscal year, and the improved occupancy at existing office buildings. In addition, “DECKS Tokyo Beach” (Minato-ku, Tokyo, commercial facility) was acquired in September 2013, and “Minami-Aoyama Leica Building” (Minato-ku, Tokyo, commercial facility), “La Porte Shinsaibashi” (Osaka-shi, Osaka, commercial facility) and “Ebisu Prime Square” (Shibuya-ku, Tokyo, office building, commercial facility and housing) were acquired in December 2013.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	128.3	130.9	2.6	127.9	3.0
Operating income	35.0	33.6	(1.4)	32.1	1.4

## Breakdown of operating revenue

(Unit:¥ billion)

	FY2012	FY2013	Comparison
Owned *1	63.9	64.4	0.5
Leased etc.*2	11.9	11.6	(0.4)
Others *3	52.5	54.9	2.4

\*1: Owned refers to office buildings and commercial facilities, etc. owned by Tokyu Land and those owned by consolidated silent partnerships, etc.

\*2: Leased etc. refers to leases by Tokyu Land, and businesses, etc. of non-consolidated silent partnerships, etc.

\*3: Others refers to operating companies other than Tokyu Land and consolidated silent partnerships, etc.

## Office buildings and commercial facilities leasing floor space, and vacancy rate

	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014
Leasing floor space (m <sup>2</sup> )	1,072,228	994,773	1,026,453
Vacancy rate (consolidated basis)	2.3%	2.7%	2.2%
Vacancy rate (Tokyu Land) *	2.0%	2.1%	1.8%

\* Including office buildings and commercial facilities owned by consolidated silent partnerships, etc.

### Major new openings

	Use	Open	Floor space (thousand m <sup>2</sup> )
DECKS Tokyo Beach (completed in 1997) *1	Commercial	September 2013	69
Minami-Aoyama Leica Building (completed in 1998) *2	Commercial	December 2013	2
La Porte Shinsaibashi (completed in 2007)	Commercial	December 2013	4
Ebisu Prime Square (completed in 1997)	Office, commercial and housing	December 2013	69

\*1: Building with leasehold right

\*2: Building with surface right

### Number of leased houses

(Units)

	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014
House for lease	15,674	16,819	17,820
Lease management service	57,823	59,993	60,614
Company house management service	88,181	87,005	84,360

## 5) Property Management

Operating revenue and operating income from our Property Management business were ¥96.0 billion (up 25.5% from the previous year) and ¥6.7 billion (up 30.4%), respectively.

Regarding our Property Management business, both revenues and profit increased thanks to an expansion in the stock of condominium management service sites. This was a result of Tokyu Community's acquisition of shares in United Communities Co., Ltd. and making it a consolidated subsidiary in the previous fiscal year. The stock of condominium management service sites continued to expand steadily in this fiscal year to 641 thousand units (of which the number of units under comprehensive management was 478 thousand units) as of March 31, 2014.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	76.5	96.0	19.5	94.5	1.5
Operating income	5.1	6.7	1.5	6.6	0.0

### Number of sites managed as of year end

	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014
Condominiums (units)	405,911	617,687	641,591
Buildings (no. of contracts)	1,356	1,330	1,305



## 6) Facility Operations

Our Facility Operations business generated ¥63.8 billion in operating revenue (up 6.8% from the previous year) and ¥4.3 billion of operating income (up 13.5%).

Both revenues and profit increased mainly due to an increase in registration fee income from the strong sales of membership for the Harvest Club membership resort hotels and golf clubs as well as due to the openings of new Harvest Club facilities “Atami Izusan” and “VIALA annex Atami Izusan” (Atami-shi, Shizuoka) in August 2013, and a new senior housing facility “Grancreeper Aobadai 2-chome” (Yokohama-shi, Kanagawa) in September.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	59.7	63.8	4.1	63.5	0.3
Operating income	3.8	4.3	0.5	3.7	0.6

### Breakdown of operating revenue

\*The figures in brackets indicate the number of facilities at end of fiscal year.

(Unit:¥ billion)

	FY2012		FY2013		Comparison	
Golf course	8.6	[20]	8.4	[20]	(0.2)	
Harvest Club	12.2	[24]	13.5	[26]	1.2	(Membership resort hotel)
Oasis	14.5	[33]	15.0	[33]	0.5	(Fitness club, etc.)
Ski resort	10.7	[8]	10.5	[8]	(0.2)	
Senior housing	5.7	[10]	6.3	[11]	0.6	
Other	8.1		10.2		2.1	

## 7) Real-Estate Agents

In our Real-Estate Agents businesses, operating revenue was ¥51.6 billion (up 21.9% from the previous year) and operating income amounted to ¥8.5 billion (up 77.0%).

Regarding our real-estate sales agent business, in retail sales, we opened twelve new stores, as well as focused our efforts on expanding transactions, for example by aggressively marketing new services including “Livable Anshin Agent Guarantee,” while in wholesale sales, efforts were made to strengthen the ability to respond to changing needs in the real-estate investment market, and to improve the services provided to domestic and international investors. As a result, there was a rise in the number of transactions and contracted prices both in retail sales and wholesale sales. There was also an increase in the number of deliveries for consignment sales business, which lead to an increase in revenues and profit.

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	42.3	51.6	9.3	50.2	1.4
Operating income	4.8	8.5	3.7	7.8	0.7

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2012	FY2013	Comparison
Real-estate sales agent	35.1	41.6	6.5
Consignment sales	4.4	6.5	2.1
Other	2.8	3.5	0.7

## 8) Other

(Unit:¥ billion)

	FY2012	FY2013	Comparison	Full-year forecast	Projected change
Operating revenue	8.8	9.9	1.1	10.0	(0.1)
Operating income	0.0	0.0	(0.0)	(0.4)	0.4

### Breakdown of operating revenue

(Unit:¥ billion)

	FY2012	FY2013	Comparison
Consignment welfare	5.8	6.7	0.9
Other	3.0	3.2	0.2

## Forecast for Fiscal Year 2014 Ending March 31, 2015

In the fiscal year ending March 31, 2015, we forecast an increase in revenues and profit taking into consideration factors such as more sales of buildings and commercial facilities, etc., although a decline in sales of condominiums is expected.

Following the shift to a holding company system, the Group reorganized its structure and reportable segments effective from the fiscal year ending March 31, 2015. The table below shows the major changes in the segments.

(Unit:¥ billion)

	FY2013	FY2014 forecast	Comparison
Operating revenue	714.1	735.0	20.9
EBITDA	84.6	87.2	2.6
Operating income	61.4	63.0	1.6
Ordinary income	50.6	51.0	0.4
Net income	23.7	25.0	1.3

EBITDA: operating income before depreciation

[Until FY2013]

	Breakdown	Post-reorganization segment
Leasing of Real Estate	Office buildings / commercial facilities	Urban Development
	Rental residence	Urban Development
	Management of REITs / private funds, etc.	Urban Development
Real Estate Sales	Condominiums	Residential
	Detached housing	Residential
	Sale of buildings, etc.	Urban Development
	Country houses	Wellness
	Purchase, resale, etc. (Tokyu Livable)	Real-Estate Agents
	Overseas operations and other	Business Innovation and Others
Property Management	Management of condominiums / buildings, etc.	Property Management
Contracted Construction	Constructions of common areas of condominiums, etc.	Property Management
	Custom-built houses / renovations, etc.	Business Innovation and Others
Real-Estate Agents	Real-estate sales agent / consignment sales	Real-Estate Agents
	Resort real estate agent, etc.	Wellness
Facility Operations	Resort hotels / fitness clubs / senior housing	Wellness
Retail Sales	Retail sales (Tokyu Hands)	Tokyu Hands
Other	Welfare services agency business, etc.	Business Innovation and Others

[From FY2014]

	Breakdown	New segment
Urban Development	Office buildings / commercial facilities	Urban Development
	Rental residence	
	Management of REITs / private funds, etc.	
	Sale of buildings, etc.	
Residential	Condominiums	Residential
	Detached housing	
Property Management	Management of condominiums / buildings, etc.	Property Management
	Constructions of common areas of condominiums, etc.	
Real-Estate Agents	Real-estate sales agent / consignment sales	Real-Estate Agents
	Purchase, resale, etc. (Tokyu Livable)	
Wellness	Resort hotels / fitness clubs / senior housing	Wellness
	Country houses	
	Resort real estate agent, etc.	
Tokyu Hands	Retail sales (Tokyu Hands)	Tokyu Hands
Business Innovation and Others	Custom-built houses / renovations, etc.	Business Innovation and Others
	Overseas operations and other	
	Welfare services agency business, etc.	

The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

## 2. Analysis of Financial Position

### 1) Assets, Liabilities, and Net Assets

The Company was established on October 1, 2013 through joint share transfers as the wholly-owning parent company of Tokyu Land, Tokyu Community and Tokyu Livable (hereinafter referred to as the “Share Transfers”). As a result of the Share Transfers, among net assets, shareholders’ equity increased by ¥81.8 billion and minority interests decreased by ¥35.2 billion, while, among assets, goodwill increased by ¥46.9 billion.

As of March 31, 2014, total assets increased by ¥71.4 billion compared to the end of the previous fiscal year due to an increase in goodwill resulting from the Share Transfers, in addition to other factors such as an increase in real estate for sale. Total liabilities also increased by ¥9.2 billion due mainly to an increase in interest-bearing debt, compared to the end of the previous fiscal year. Net assets increased by ¥62.3 billion resulting from the Share Transfers, etc.

Of interest-bearing debt, ¥403.3 billion is loans payable of silent partnerships, etc.

(Unit:¥ billion)

	As of March 31, 2013	As of March 31, 2014	
Total assets	1,718.4	1,789.8	
Total liabilities	1,411.4	1,420.6	
Net assets	307.0	369.2	
Equity	268.7	364.5	As of March 31, 2015 (Forecast)
Equity ratio	15.6%	20.4%	1,115.0
Interest-bearing debt	974.1	991.0	12.8×
EBITDA multiple	13.5×	11.7×	2.9×
DE ratio	3.6×	2.7×	3.5%
ROA	3.0%	3.5%	

EBITDA Multiple: Interest-Bearing Debt/EBITDA (Operating Income Before Depreciation)

DE Ratio: Interest-Bearing Debt/Equity

ROA: (Operating Income + Interest Income + Dividends Income)/Total Assets (Yearly Average)

### 2) Cash Flow Position

As of the end of fiscal 2013, cash and cash equivalents were ¥92.7 billion, representing a ¥8.7 billion increase from the previous fiscal year end.

#### (Cash flows from operating activities)

Net cash used in operating activities was ¥13.5 billion mainly due to an increase of ¥64.7 billion in inventories, an increase of ¥26.2 billion in deposits received for consignment sales and ¥14.2 billion in income taxes paid, notwithstanding ¥43.7 billion in income before income taxes and minority interests, an increase of ¥23.0 billion in notes and accounts payable - trade, ¥20.0 billion in depreciation, among others.

#### (Cash flows from investing activities)

Net cash provided by investing activities was ¥19.7 billion mainly due to ¥111.5 billion in proceeds from sales of non-current assets, notwithstanding ¥75.8 billion for purchase of non-current assets, ¥10.2 billion for purchase of short-term and long-term investment securities, among others.

#### (Cash flows from financing activities)

Net cash provided by financing activities was ¥3.0 billion thanks mainly to ¥167.6 billion in proceeds from long-term loans payable, ¥27.9 billion in proceeds from long-term lease and guarantee deposited and ¥20.0 billion in proceeds from issuance of bonds, notwithstanding ¥209.0 billion in repayments of long-term loans payable, ¥37.2 billion in repayments of long-term lease and guarantee deposited, among others.

### Trend of indices

	FY2012	FY2013
Equity ratio	15.6%	20.4%
Equity ratio on market value basis	25.8%	26.3%
Ratio of interest-bearing debt to cash flows	13.9 years	—
Interest coverage ratio	6.1	—

Equity Ratio: Equity/Total Assets  
Equity Ratio on Market Value Basis: Market Capitalization/Total Assets  
Ratio of Interest-Bearing Debt to Cash Flows: Interest-Bearing Debt/Operating Cash Flow  
Interest Coverage Ratio: Operating Cash Flow/Interest Payments

#### Notes:

1. All figures are calculated based on the Consolidated Financial Statements.
2. Market Capitalization: Monthly average stock price during the last month of the fiscal year × number of shares issued (after deducting treasury shares)
3. Cash Flow: Cash Flow from Operating Activities stated in the Consolidated Statements of Cash Flows
4. Interest bearing-debt contains all liabilities to pay interest.

### 3. Basic policy on allocation of profits and dividends for this fiscal year and next fiscal year

The Company regards the return of profits to shareholders to be one of its most important policies. Our basic policy is the distribution of profits while comprehensively taking into consideration the capital requirements for future business development including medium- and long-term development, our results as well as the future business environment, etc.

The Company plans to pay year-end dividends of ¥4.5 per share, ¥0.5 more than the previous forecast, mainly because the previous medium-term management plan “Value Innovation 2013” (FY2011-FY2013) has been accomplished. The dividend payout ratio for this fiscal year is 19.2%, when calculated using the total annual dividends per share of ¥8.0, the sum of interim dividends of ¥3.5 paid by Tokyu Land Corporation, which became the Company’s wholly-owned subsidiary through joint share transfers, and year-end dividends of ¥4.5 to be paid by the Company.

For the next fiscal year, considering that the holding company system will be in full operation, the Company plans to pay interim dividends of ¥5.0 per share and year-end dividends of ¥5.0 per share for total annual dividends of ¥10.0 per share, with the dividend payout ratio of 24.4%.

## Consolidated Balance Sheet

Tokyu Fudosan Holdings Corporation

(Audit has not been completed.)

(Millions of yen)

Account title	As of March 31, 2014
<b>Assets</b>	
<b>Current assets</b>	
Cash and deposits	93,070
Notes and accounts receivable - trade	24,712
Securities	653
Merchandise	8,736
Real estate for sale	122,899
Real estate for sale in process	116,974
Costs on uncompleted construction contracts	5,988
Supplies	749
Deferred tax assets	7,532
Other	34,902
Allowance for doubtful accounts	(194)
<b>Total current assets</b>	<b>416,024</b>
<b>Non-current assets</b>	
<b>Property, plant and equipment</b>	
Buildings and structures	387,258
Accumulated depreciation	(161,378)
Buildings and structures, net	225,880
Land	858,604
Construction in progress	19,644
Other	49,060
Accumulated depreciation	(33,046)
Other, net	16,014
<b>Total property, plant and equipment</b>	<b>1,120,143</b>
<b>Intangible assets</b>	
Leasehold right	19,697
Goodwill	82,866
Other	12,410
<b>Total intangible assets</b>	<b>114,974</b>
<b>Investments and other assets</b>	
Investment securities	56,691
Long-term loans receivable	3,554
Lease and guarantee deposits	58,099
Deferred tax assets	11,164
Other	10,386
Allowance for doubtful accounts	(1,216)
<b>Total investments and other assets</b>	<b>138,680</b>
<b>Total non-current assets</b>	<b>1,373,797</b>
<b>Total assets</b>	<b>1,789,822</b>

Account title	As of March 31, 2014
Liabilities	
Current liabilities	
Notes and accounts payable - trade	62,135
Short-term loans payable	180,579
Current portion of bonds	200
Accounts payable - other	21,747
Income taxes payable	9,801
Deferred tax liabilities	1,329
Advances received	26,572
Deposits received from consignment sales	10,881
Deposits received	20,555
Deposits received for special joint ventures	5,300
Provision for bonuses	8,722
Provision for directors' bonuses	188
Provision for warranties for completed construction	408
Other provision	731
Other	12,696
Total current liabilities	361,850
Non-current liabilities	
Bonds payable	70,000
Long-term loans payable	740,235
Deferred tax liabilities	32,490
Deferred tax liabilities for land revaluation	9,777
Long-term lease and guarantee deposited	167,971
Net defined benefit liability	25,722
Provision for loss on guarantees	239
Provision for directors' retirement benefits	38
Other provision	190
Other	12,060
Total non-current liabilities	1,058,728
Total liabilities	1,420,579
Net assets	
Shareholders' equity	
Capital stock	60,000
Capital surplus	118,639
Retained earnings	173,275
Treasury shares	(1,781)
Total shareholders' equity	350,134
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	7,340
Deferred gains or losses on hedges	(21)
Revaluation reserve for land	11,701
Foreign currency translation adjustment	(1,590)
Remeasurements of defined benefit plans	(3,072)
Total accumulated other comprehensive income	14,357
Minority interests	4,751
Total net assets	369,242
Total liabilities and net assets	1,789,822

**Consolidated Statement of (Comprehensive) Income**  
(Consolidated Statement of Income)

Tokyu Fudosan Holdings Corporation

(Audit has not been completed.)

(Millions of yen)

Account title	FY2013 (From April 1, 2013 to March 31, 2014)
Operating revenue	714,067
Operating cost	568,769
Operating gross profit	145,297
Selling, general and administrative expenses	83,864
Operating income	61,433
Non-operating income	
Interest income	124
Dividend income	203
Foreign exchange gains	178
Share of profit of entities accounted for using equity method	143
Subsidy income	193
Other	495
Total non-operating income	1,338
Non-operating expenses	
Interest expenses	10,203
Other	1,984
Total non-operating expenses	12,188
Ordinary income	50,583
Extraordinary income	
Gain on sales of non-current assets	99
Gain on sales of investment securities	41
Other	38
Total extraordinary income	179
Extraordinary losses	
Impairment loss	6,767
Other	253
Total extraordinary losses	7,021
Income before income taxes and minority interests	43,741
Income taxes - current	17,585
Income taxes - deferred	(456)
Total income taxes	17,128
Income before minority interests	26,612
Minority interests in income	2,900
Net income	23,712



(Consolidated Statement of Comprehensive Income)

Tokyu Fudosan Holdings Corporation

(Audit has not been completed.)

(Millions of yen)

Account title	FY2013 (From April 1, 2013 to March 31, 2014)
Income before minority interests	26,612
Other comprehensive income	
Valuation difference on available-for-sale securities	(1,717)
Deferred gains or losses on hedges	4
Foreign currency translation adjustment	(286)
Share of other comprehensive income of entities accounted for using equity method	281
Total other comprehensive income	(1,718)
Comprehensive income	24,894
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	21,978
Comprehensive income attributable to minority interests	2,915

## Consolidated Statement of Changes in Equity

FY2013 (from April 1, 2013 to March 31, 2014)

Tokyu Fudosan Holdings Corporation

(Audit has not been completed.)

(Millions of yen)

Account title	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	57,551	39,288	153,888	(1,217)	249,511
Changes of items during period					
Dividends of surplus			(4,326)		(4,326)
Net income			23,712		23,712
Purchase of treasury shares				(545)	(545)
Disposal of treasury shares		0		5	5
Retirement of treasury shares		(4,791)		4,791	-
Reversal of revaluation reserve for land			0		0
Increase by share transfers	2,448	84,141		(4,814)	81,775
Net changes of items other than shareholders' equity					
Total changes of items during period	2,448	79,351	19,386	(563)	100,622
Balance at end of current period	60,000	118,639	173,275	(1,781)	350,134

Account title	Accumulated other comprehensive income						Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	9,067	(25)	11,702	(1,579)	-	19,164	38,306	306,982
Changes of items during period								
Dividends of surplus								(4,326)
Net income								23,712
Purchase of treasury shares								(545)
Disposal of treasury shares								5
Retirement of treasury shares								-
Reversal of revaluation reserve for land								0
Increase by share transfers								81,775
Net changes of items other than shareholders' equity	(1,727)	4	(0)	(10)	(3,072)	(4,806)	(33,555)	(38,362)
Total changes of items during period	(1,727)	4	(0)	(10)	(3,072)	(4,806)	(33,555)	62,260
Balance at end of current period	7,340	(21)	11,701	(1,590)	(3,072)	14,357	4,751	369,242

## Consolidated Statement of Cash Flows

Tokyu Fudosan Holdings Corporation

(Audit has not been completed.)

(Millions of yen)

Account title	FY2013 (From April 1, 2013 to March 31, 2014)
Cash flows from operating activities	
Income before income taxes and minority interests	43,741
Depreciation	19,959
Amortization of goodwill	3,210
Share of (profit) loss of entities accounted for using equity method	(143)
Increase (decrease) in net defined benefit liability	1,693
Increase (decrease) in other provision	1,124
Impairment loss	6,767
Loss on valuation of inventories	5,523
Loss on retirement of non-current assets	1,185
Interest and dividend income	(327)
Interest expenses	10,203
Decrease (increase) in notes and accounts receivable - trade	(5,795)
Decrease (increase) in inventories	(64,744)
Increase (decrease) in notes and accounts payable - trade	22,973
Increase (decrease) in deposits received for consignment sales	(26,163)
Increase (decrease) in deposits received for special joint ventures	(4,750)
Other, net	(3,807)
Subtotal	10,650
Interest and dividend income received	320
Interest expenses paid	(10,299)
Income taxes paid	(14,176)
Net cash provided by (used in) operating activities	(13,504)

Account title	FY2013 (From April 1, 2013 to March 31, 2014)
Cash flows from investing activities	
Payments of loans receivable	(2,218)
Collection of loans receivable	136
Purchase of short-term and long-term investment securities	(10,214)
Proceeds from sales and redemption of short-term and long-term investment securities	2,294
Purchase of shares of subsidiaries	(4,775)
Payments for lease and guarantee deposits	(7,640)
Proceeds from collection of lease and guarantee deposits	6,234
Purchase of non-current assets	(75,819)
Proceeds from sales of non-current assets	111,478
Other, net	269
Net cash provided by (used in) investing activities	19,745
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	37,854
Proceeds from long-term loans payable	167,604
Repayments of long-term loans payable	(209,036)
Proceeds from long-term lease and guarantee deposited	27,945
Repayments of long-term lease and guarantee deposited	(37,158)
Proceeds from issuance of bonds	20,000
Cash dividends paid	(4,326)
Proceeds from share issuance to minority shareholders	2,581
Cash dividends paid to minority shareholders	(865)
Repayments of finance lease obligations	(1,509)
Net decrease (increase) in treasury shares	(80)
Net cash provided by (used in) financing activities	3,008
Effect of exchange rate change on cash and cash equivalents	(443)
Net increase (decrease) in cash and cash equivalents	8,806
Cash and cash equivalents at beginning of period	84,070
Increase in cash and cash equivalents from newly consolidated subsidiary and other	2
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(156)
Cash and cash equivalents at end of period	92,723